

House Republican Press Release

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Heading for the Home Stretch



By State Representative John J. Ryan

As we head into mid-May, the baseball season is well underway, the Memorial Day long weekend is in sight and the General Assembly is heading into the last month of this year's Session. However, as a regular reader, you know that the main business of a long session year is to craft the State's next budget plan, and with only a few weeks to go, we do not seem to be close to a resolution of this all-important issue.

One might think that the recent reports that the projected surplus in our present fiscal year is growing (remember, the problem is the large "built-in" deficit in the next budget, that we are supposed to be addressing in this session!) would be good news. As a regular reader, you may also recall that these built-in deficits are the direct result of use of 'gimmicks' (i.e., one-time revenues to fund ongoing expenses) to the tune of about \$500 million in each of the state budgets for the past several years. Unfortunately, the Democrat majority seems to view news of the projected surplus as confirmation that the State's economy is actually in pretty good shape, and therefore able to support more tax increases! The rhetoric for increases in the income tax (percentage rate increases through higher income levels), increased business taxes, and decoupling from the Federal Estate tax (meaning Connecticut would increase its death taxes) has hardly slowed from the legislative majority.

The opposing viewpoint is expressed by Governor Rell's comments of last week that "If Democrat legislative leaders are willing to join me in controlling spending and living within our means, we will not need tax increases. ...our existing tax structure can generate enough money to cover the State's expenses for the next two years if we honor the spending cap." Democrat leaders keep saying things like the constitutional spending cap "was meant as a guide, not a straitjacket", which hardly gives one optimism that there will be a compromise soon. Will we have to return to the prior pattern of a 'party-line' vote budget that gets vetoed by the Governor to get things moving?

And the bad news about the proposed Groton submarine base closing certainly does not help matters. Given the apparent lack of political horsepower of Senators Dodd and Lieberman, and given that south-eastern Connecticut does not have a broad economic base beyond casinos, Pfizer and submarines, one has to worry that the climate for further

tax increases is only getting better not worse. The notion that a favorable environment to attract more well-paying jobs in financial services, bio-tech and "Silicon Valley-type" companies seems an entirely foreign one to the legislative majority.

There was a momentary bit of good news for Fairfield County if you saw the story about the Interior Board of Indian Appeals reversing the prior recognition granted to the Schaghticoke and Eastern Pequot tribes, but this will hardly be the end of that process. It will also not prevent Bridgeport politicians from continuing to wish for a casino as their solution to improving Bridgeport!

Stay tuned. Remember that you can easily track what is happening on legislation through the Connecticut General Assembly website at www.cga.ct.gov .

And while Will Rogers used to say "The taxpayers are not safe while Congress is in session!," the same warning could easily be applied to your State Legislature.

Please feel free to contact me with your concerns and issues. As your state representative, it is my job, and my priority to represent you and to make sure that your needs and concerns are addressed at the capitol. You can write to me at Room 4200, Legislative Office Building, Hartford, CT 06106-1591, send me e-mail at John.Ryan@housegop.state.ct.us or call my office toll-free at 1-800-842-1423.